**BHIM App**

The recently launched Bharat Interface for Money (BHIM) App in India, voluntarily endorsed by Prime Minister Narendra Modi, is another step directing India towards a cashless economy of digital transactions. Powered by the Unified Payment Interface (UPI) platform, the app makes inter-banking experience very simple for its consumers by enabling immediate payments. The UPI was incorporated by the National Payments Corporation of India (NPCI) in 2006 for all retail payment systems in the country. It serves to make transacting easier for businesses by allowing them to interact with commercial banks and serve their customers at the same time. Whereas other mobile payment apps like PhonePe and Paytm are standalone businesses, the question is why an app like BHIM was endorsed by the prime minister himself? The answer is that he is promoting it to establish a technology ecosystem for the low-income class.

By using Unstructured Supplementary Service Data (USSD) technology, even customers with feature phones can access UPI – and by allowing them to create a credit history, providing micro-credits to small businesses and low-income individuals through digital payments can be made possible.

For BHIM to succeed as an app and attain the objectives that it was built for, the security factor has to be put first and foremost. The main security components would be the application itself and its mobile app security testing, application-and-server communication, and server security. The app uses three-factor authentication; authentication through the device ID and mobile number combination, through a bank on BHIM chosen by the user, and finally the four-digit UPI PIN that is only known to the user.

Since mobile payment industry is currently in a good position to deal with security threats due to multi-factor authentication and mobile app security testing practices, a user with no access to credit before can now develop a credit history and be eligible to take a loan. Customers needed to be taught about these and many other advantages of digital payments, so as to make India a cashless economy in every true sense.